

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                       |   |                 |
|---------------------------------------|---|-----------------|
| THE APPLICATION OF KENTUCKY UTILITIES | ) |                 |
| COMPANY TO ASSESS A SURCHARGE UNDER   | ) |                 |
| KRS 278.183 TO RECOVER COSTS OF       | ) |                 |
| COMPLIANCE WITH ENVIRONMENTAL         | ) | CASE NO. 93-465 |
| REQUIREMENTS FOR COAL COMBUSTION      | ) |                 |
| WASTES AND BY-PRODUCTS                | ) |                 |

O R D E R

Upon reviewing Kentucky Utilities Company's ("KU") responses to the Commission's Orders dated March 4, 1994 and April 7, 1994, the Commission finds that additional information is required.

IT IS THEREFORE ORDERED that KU shall file the original and 12 copies of the following information with the Commission no later than May 13, 1994, with a copy to all parties of record.

1. In response to Item 33 of the Commission's Order dated March 4, 1994, KU states: "Energy penalties associated with SO<sub>2</sub> removal options were incorporated into the production model runs in the form of an increased heat rate beginning in the year the option was implemented." Provide the heat rate adjustment in Btu per kWh or percentage terms that was considered for each of the SO<sub>2</sub> compliance options that were modeled as part of the 13 alternative compliance strategies evaluated in the Reassessment and Updated Reassessment Reports.

2. Table 8 of the Reassessment and Updated Reassessment Reports provides fixed operating and maintenance ("O&M") costs (in 1993 \$/kW-yr) and variable O&M costs (in 1993 \$/MWH) for scrubbers

at Ghent 1 and 2. Using the same format, provide the incremental fixed and variable O&M costs (relative to Case N1, which assumes no Clean Air Act compliance measures are undertaken) used in the detailed modeling of the following options:

- a. Switching Ghent 1 to compliance coal.
- b. Switching Ghent 3 and 4 to Powder River Basin coal.
- c. Switching Brown to compliance coal.
- d. A short-term switch to compliance coal at Ghent 1 requiring SO<sub>2</sub> injection as modeled in Case G1.
- e. Any additional fixed or variable O&M costs for the Ghent 1 gypsum landfill not already reported on Table 8.
- f. Installing a scrubber at Brown.

Done at Frankfort, Kentucky, this 5th day of May, 1994.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director